

**Summary of the U.S. Department of Agriculture Rural Utilities Service
(USDA/RUS) and Federal Communications Commission (FCC) Kickoff Meeting of
the “Federal Rural Wireless Outreach Initiative”**

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Prepared Remarks

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FCC Agenda Meeting

Good Morning Mr. Chairman and Commissioners.

Today, I am delighted and honored to introduce to you Administrator Hilda Gay Legg of the Rural Utilities Service of the USDA who will be speaking to you about her Agency’s programs to develop and finance telecommunications services, including wireless services, in rural America. Before formally introducing Administrator Legg, I would also like to provide you with a brief report on the Bureau’s latest initiatives to bring about the benefits of our great country’s Digital Migration to our rural towns and communities.

In particular, we recently started a new initiative with USDA’s Rural Utilities Service that will do three things with respect to wireless services: first, we are looking at how we can harmonize our respective agencies rules and regulations regarding the licensing and financing of wireless services; second, we are looking at how we can harmonize and coordinate our two agencies outreach activities so they bring about the maximum benefit of wireless services to rural communities; and third, we are working together to identify specific communities so we can work with them directly and help bring about the benefits of wireless services demonstrating how our agencies cooperative spirit can make a difference. Our plan is to have these communities serve as models of how we can all work together---that is the FCC, USDA, and the individual communities--to bring down the technical, legal, financial and operational issues that have been the barriers to bringing the full benefit of wireless services to America’s rural communities.

In addition to this specific initiative, our Bureau is also considering new paradigms of regulation for the use of spectrum in the rural context. We in the Bureau have taken to heart the Spectrum Policy Task Force’s ideas and recommendations and hope to present to you in the coming months items that will bring about the possibility of greater access to spectrum and related services to rural communities. The Bureau hopes to do this by providing rural entrepreneurs and rural communities greater flexibility both in the use and financing of spectrum. This activity will also build on the momentum we established in last year’s Rural Issues Notice of Inquiry.

Focusing on our latest activity, on July 2nd, USDA’s Rural Utilities Service and our Bureau held a joint meeting here in Washington. With remarks from Chairman Powell and Commissioner Martin as well as RUS Administrator Legg, representatives from the federal government, the wireless industry, and the rural community exchanged information about how best to serve the telecommunications needs of rural communities

through wireless services. RUS Assistant Administrator for Telecommunications Programs Bobbie Purcell also led a discussion about the specific financial and grant programs that RUS has developed to help finance these types of services. Rounding out the day, the meeting also had presentations from Bill Maher of the Wireline Competition Bureau and Kris Monteith of the Consumer and Governmental Affairs Bureau. Bill and Kris spoke about their respective Bureaus' programs that serve the needs of rural communities and their presentations added significantly to the overall success of the meeting. The meeting was attended by more than 140 participants and can also be viewed on USDA's website. Since that time, both our Bureau and RUS have received a large number of correspondence from rural civic leaders and entrepreneurs indicating high level of interest in this initiative and our subsequent action plan.

For example, as part of our effort to find model rural communities that our agencies can jointly help with deploying wireless services to meet their needs, we are currently in the process of reviewing the 40 broadband community grants awarded by the U.S. Department of Agriculture in May of this year. We believe that this pool of communities has already demonstrated their desire to increase telecommunications services to their residents and are therefore the type of community that will be successful in this pilot project.

As a result of participating in the pilot project, the model communities and leaders as well as their service providers will learn how the agencies' rules, regulations, and programs can be used to develop wireless services in rural areas. In turn, our respective agencies will learn which rules, regulations, and programs work efficiently and which programs need improvement. In addition, the agencies would gain an understanding of the complications facing the rural community and wireless service providers in attempting to put together a business model to deploy wireless services in these areas.

The Wireless Telecommunications Bureau is committed to bringing the benefits of the Digital Migration to all parts of our country. The initiative I discussed today brings to bear not only the FCC's resources but that of the USDA's to achieve this worthwhile goal. I would like to conclude my report by saying that this action plan would not have been possible without the enthusiastic support of Administrator Legg. I am therefore deeply honored to present to you Administrator Hilda Gay Legg of the Rural Utilities Service of the USDA.